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Approved For Release 2001/03/04 : CIA-RDP80-01370R000200160017-5

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26 JUN 1959

Chief, Fiscal Division

Chief, Budget Division

Unliquidated Obligations - "H" Account, 30 June 1958

REF : Memorandum of 12 September 1958 to Chief, Budget Division,
From Chief, Fiscal Division, Subject: Retainable Unliquidated
Obligations - "H" Account, 30 June 1958

1. Representatives of the Budget Division, assisted by representatives of the Fiscal Division, have analyzed the records available on obligations in the Fiscal Division "H" Accounts as listed in the Fiscal Division's memorandum dated 12 September 1958. This analysis was made in an effort to eliminate from the "H" Accounts those items which clearly could be identified as no longer valid obligations of the Agency, and to facilitate re-establishment in the "H" Accounts on 1 July 1959 those items which appear to constitute valid obligations for which the Agency should continue to hold itself responsible.

2. The transactions date from Fiscal Year 1951 to Fiscal Year 1956. For the years prior to Fiscal Year 1956, the transaction files are frequently incomplete, and it is largely because of the absence of prescribed documentation that many of the files are still considered open. However, despite the absence of some documentation, it is possible at this time, by drawing certain inferences, to group the accounts into categories and to make recommendations as follows:

a. Accounts representing orders for which the goods or services were never received; or, if received, were all returned. In these instances, it is of course obvious that there is no outstanding obligation.

b. Accounts representing orders under which some goods or services were received; but either the goods and services were not received in the full amount ordered, were returned in part, or were billed to us in an amount lower (sometimes substantially lower) than our initial estimate. While final documentation is often lacking, the best available evidence indicates there are no amounts still due for items in this category.

c. Accounts representing orders for which goods and services were received but for which we were never billed, or if we were billed, we were not billed in an amount equivalent to the value of the goods received. We recognize the probability that very few, if any, additional billings will be received at this late date. Nevertheless, these are clearly obligations of the Agency for which the Agency would be liable if billed. It is to be noted that nearly all of these date from Fiscal Year 1951 and Fiscal Year 1952 and in any case can be written off at the end of the ten-year statutory period, (Fiscal Year 1961 and Fiscal Year 1962, respectively). It is therefore believed that these should be retained on the records until those dates.

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SUBJECT: Unliquidated Obligations - "N" Account, 30 June 1959

3. For convenience in reviewing and adjusting the transactions, we have attached hereto a listing of all open items and have noted the key facts available in the files. The amounts which we believe should be cancelled (see 2a and 2b above) have been listed in a "To Be Cancelled" column. The amounts recommended for retention (see 2c above) have been listed in a "To Be Retained" column. The 90 transactions recommended for cancellation total [REDACTED] 25X9
The 94 transactions recommended for retention total [REDACTED] 25X9

4. In summary, it is our recommendation based upon analysis that all items reflected on the attached list as "To Be Cancelled" be removed from the "N" Account as of 1 July 1959, and that all items reflected as "To Be Retained" be re-established in the "N" Account as of 1 July 1959.

[REDACTED] 25X1A9a

Attachment

COMMENTS:

FOIAb3b

[REDACTED]

Comptroller

26 JUN 1959

Date

FOIAb3b

[REDACTED]

Director of Logistics

30 June 1959
Date

BD/COMP/CNM/RLW/pab (23 June 1959)

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